

DISTRICT COURT, BOULDER COUNTY, COLORADO 1777 Sixth Street Boulder, Colorado 80306 <hr/> STATE OF COLORADO, ex rel. JOHN W. SUTHERS, ATTORNEY GENERAL, Plaintiff, v. VETERANS FOR THE HOMELESS, INC. (d/b/a V.H.I.), a Colorado non-profit corporation, VISIONS OF HOPE, INC., (d/b/a V.H.I.), a Colorado non-profit corporation, JAY WYSS, an individual, and RHETT CLINE, an individual, LUIS SUAREZ (a/k/a Lou Anderson and Luis Anderson), an individual, JOHN DOES 1-10, independent contractors or employees of Veterans for the Homeless, Inc. or Visions of Hope, Inc., and JANE DOES 1-10, independent contractors or employees of Veterans for the Homeless, Inc. or Visions of Hope, Inc., Defendants.	<div style="color: red;"> EFILED Document CO Boulder County District Court 20th JD Filing Date: Aug 28 2006 4:39PM MDT Filing ID: 12205349 Review Clerk: Debra Crosser </div> <div style="text-align: center; margin-top: 20px;"> ▲ COURT USE ONLY ▲ </div>
Attorneys for Plaintiff: JOHN W. SUTHERS Attorney General AMY L. PADDEN, 28372* Assistant Attorney General JAN M. ZAVISLAN, 11636 Deputy Attorney General 1525 Sherman Street, 5 th Floor Denver, CO 80203 (303) 866-5079 (303) 866-4916 Fax *Counsel of Record	Case No.:
COMPLAINT	

Plaintiff, the State of Colorado, upon relation of John W. Suthers, Attorney General for the State of Colorado, by and through undersigned counsel, states and alleges as follows:

INTRODUCTION

1. This is an action brought by the State of Colorado pursuant to the Colorado Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-101 through 113 (2005) (“CCSA”) and the Colorado Consumer Protection Act, Colo. Rev. Stat. §§ 6-1-101 through 115 (2005) (“CCPA”), to enjoin and restrain Defendants from engaging in certain acts of charitable fraud and unlawful deceptive trade practices, for statutorily mandated civil penalties, for disgorgement, restitution, and for other relief as provided in the CCSA and the CCPA.

PARTIES

2. John W. Suthers is the duly appointed Attorney General of the State of Colorado and is authorized under Colo. Rev. Stat. § 6-1-103 to enforce the provisions of the CCPA.

3. Defendant Veterans for the Homeless, Inc. is a Colorado non-profit corporation incorporated on or about May 6, 1988, with a principal place of business at 2931 W. 23rd Avenue, Denver, Colorado. Veterans for the Homeless, Inc. purports to be a charity raising money for homeless and indigent families in the Denver metropolitan area.

4. Defendant Visions of Hope, Inc., is a Colorado non-profit corporation incorporated on or about February 13, 1998, with a principal place of business at 2931 W. 23rd Avenue, Denver, Colorado. Visions of Hope, Inc., purports to be a “non profit social service organization.”

5. Defendant Jay Wyss is an individual who currently resides, and during the times relevant to this action resided, at 624 W. Quincy, Englewood, Colorado. Mr. Wyss was the treasurer of Defendant Veterans for the Homeless, Inc. Wyss also opened a bank account on behalf of Defendant Veterans for the Homeless, Inc.

6. Defendant Rhett Cline is an individual who currently resides, and during the times relevant to this action resided, at 721 Parkview Mountain Drive, Windsor, Colorado,. Mr. Cline was an officer of Veterans for the Homeless, Inc. Mr. Cline was responsible for the day-to-day management of Veterans for the Homeless, Inc. during the times relevant to this action.

7. Defendant Luis Suarez is an individual who currently resides, and during the times relevant to this action resided, at 2931 W. 23rd Avenue, Denver, Colorado. Mr. Suarez was a paid solicitor of Veterans for the Homeless, Inc. Mr. Suarez used the names of Lou Anderson and Luis Anderson during the times relevant to this action.

8. Defendants John Does 1-10 are current or former independent contractors, employees, officers, or directors of one or more of the Defendants listed in paragraphs 3-4 above who have yet to be identified.

9. Defendants Jane Does 1-10 are current or former independent contractors, employees, officers, or directors of one or more of the Defendants listed in paragraphs 3-4 above who have yet to be identified.

JURISDICTION AND VENUE

10. Pursuant to Colo. Rev. Stat. § 6-1-103 and § 6-1-110(1), this Court has jurisdiction to enter appropriate orders prior to and following an ultimate determination of liability.

11. The violations alleged herein were committed throughout the state of Colorado, and against a victim, Eleanor Sprague, who was at the relevant times a resident of Boulder County, Colorado. Therefore, venue is proper in Boulder County, Colorado, pursuant to Colo. Rev. Stat. § 6-1-103 (2005) and Colo. R. Civ. P. 98.

RELEVANT TIMES

12. The conduct that gives rise to the claims for relief contained in this Complaint began in 2003 and continues through the present.

13. This action is timely brought pursuant to Colo. Rev. Stat. § 6-1-115 because it is brought within three years of the date on which false, misleading, and deceptive acts or practices occurred and/or were discovered, and the series of false, misleading, and deceptive acts is continuing.

PUBLIC INTEREST

14. Through the unlawful practices of their business, vocation, or occupation, Defendants have deceived, misled, and financially injured consumers in Colorado. Specifically, Defendants have solicited money from Coloradans through the use of illegal methods, have improperly spent donations, and have repeatedly violated the Colorado Charitable Solicitations Act and other consumer protection statutes. Therefore, the Colorado Attorney General believes these legal proceedings are in the public interest and are necessary to safeguard citizens from Defendants' charitable fraud and unlawful business activities.

STATUTORY BACKGROUND

A. The Colorado Charitable Solicitations Act

15. The Colorado Charitable Solicitations Act was passed by the legislature after it found that “fraudulent charitable solicitations are a widespread practice in this state which results in millions of dollars of losses to contributors and legitimate charities each year.” Colo. Rev. Stat. § 6-16-102 (2005). Specifically, the legislature found that “[l]egitimate charities are harmed by such fraud because the money available for contributions continually is being siphoned off by fraudulent charities, and the goodwill and confidence of contributors continually is being undermined by the practices of unscrupulous solicitors.” *Id.* Accordingly, the legislature passed the Act to “protect the public’s interest in making informed choices as to which charitable causes should be supported.” *Id.*

16. Under the Act, any charitable organization that solicits or intends to solicit more than \$25,000 in a fiscal year must register with the Colorado Secretary of State and provide the information required by Colo. Rev. Stat. § 6-16-104(2). *Id.* § 6-16-104(1), (6)(c). This registration must be renewed on an annual basis and the charity must file a financial report on the fifteenth day of the fifth calendar month after the close of the charity’s fiscal year. *Id.* § 6-16-104(4), (5). The Act prohibits any charity that is required to register from soliciting any contributions prior to the charity complying with the registration requirements. *Id.* § 6-16-104(9).

17. A “Paid solicitor” is “a person who, for monetary compensation, performs any service in which contributions will be solicited in this state by such compensated person or by any compensated person he or she employs, procures, or engages, directly or indirectly, to solicit for contributions.” *Id.* § 6-16-103(7).

18. Under the Act, any paid solicitor must register prior to soliciting any contributions in Colorado on behalf of a charity. *Id.* § 6-16-104.6. All contracts between a paid solicitor and a charitable organization must be in writing and contain the information set forth in Colo. Rev. Stat. § 6-16-104.6(2).

19. At least 15 days before commencing any solicitations on behalf of a charity in Colorado, a paid solicitor must file a solicitation notice with the Secretary of State that contains all the information required by Colo. Rev. Stat. § 6-16-104.6(7) and that is signed by the charity.

20. During the course of solicitations by telephone, paid solicitors must comply with the disclosures set forth in Colo. Rev. Stat. § 6-16-105.3(1), including a disclosure that a donation is not tax deductible if the donation is not deductible. Further, a written confirmation must be provided to any person donating money in response to an oral

solicitation by a paid solicitor and that confirmation must contain the disclosures set forth in Colo. Rev. Stat. § 6-16-105.

21. The Charitable Solicitations Act prohibits “charitable fraud” which is committed when a person:

(a) Knowingly solicits any contribution and in the course of such solicitation knowingly performs any act or omission in violation of any of the provisions of sections 6-16-104 to 6-16-107 and 6-16-110;

...

(d) With the intent to defraud, knowingly solicits contributions and, in aid of such solicitation, assumes, or allows to be assumed, a false or fictitious identity or capacity, except for a trade name or trademark registered in this state by that person or his employer;

(e) Knowingly fails to create and maintain all records required by section 6-16-109 to be created and maintained . . .;

(f) Knowingly makes a misrepresentation of a material fact in any notice, report, or record required to be filed, maintained, or created by this article;

(g) With intent to defraud, devises or executes a scheme or artifice to defraud by means of a solicitation or obtains money, property, or services by means of a false or fraudulent pretense, representation, or promise in the course of a solicitation. A representation may be any manifestation of any assertion by words or conduct, including, but not limited to, a failure to disclose a material fact;

...

(i) Represents or causes another to represent that a contribution to a charitable organization will be used for a purpose other than the purpose for which the charitable organization actually intends to use such contribution;

...

Id. § 6-16-111(1)(a), (d)-(g), (i).

B. The Consumer Protection Act

22. The Colorado Consumer Protection Act (CCPA) prohibits deceptive trade practices as set forth in the statute. *Id.* § 6-1-105.

23. Any violations of the CCSA are deceptive trade practices under the CCPA and subject the violator to the CCPA's penalties. *Id.* §§ 6-1-105(1)(hh), 6-16-111(5).

GENERAL ALLEGATIONS

24. Defendants Veterans for the Homeless, Inc. and Visions of Hope, Inc. (hereinafter "the non-profit Defendants") are Colorado non-profit corporations that purport to be charitable organizations. They are in the business, vocation, and occupation of soliciting donations from consumers.

25. In the past calendar year, Colorado consumers donated nearly \$165 million dollars to charities. http://www.sos.state.co.us/pubs/bingo_raffles/2005_annual_report_12-7-2005.pdf.

26. Unfortunately, some charities such as the non-profit Defendants spend a very small percentage of the funds they solicit on any legitimate purpose. As explained further below, these Defendants spend the majority, if not all, of the money they collect on fundraising and other expenses; only a small portion goes to any claimed charitable purpose.

27. In the course of soliciting donations and conducting the business of the "charities", and as explained further below, Defendants have repeatedly ignored and violated Colorado law.

Defendants V.H.I.

28. Defendants Wyss and Cline were associated with three separate corporate entities, Veterans for the Homeless, Inc., Visions of Hope, Inc., and Vacation Hospitality, Inc., each using the acronym V.H.I. The first two corporations were non-profits, the last was a for-profit. They are each described further below.

Veterans for the Homeless, Inc.

29. Veterans for the Homeless, Inc. ("Veterans for the Homeless") was formed as a Colorado non-profit on May 6, 1996. According to an amendment to the Articles of Incorporation, the purpose of the corporation was "the provision of food, shelter, clothing, employment, transportation, and other essential [sic] for homeless, indigent persons and their families, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code...."

30. On July 30, 1996, Defendant Rhett Cline became the treasurer and Dave Buckley became an officer of Veterans for the Homeless.

31. Veterans for the Homeless dissolved on March 1, 1999. An application for reinstatement was filed by David Buckley on December 14, 2001.

32. Veterans for the Homeless was administratively dissolved again on November 1, 2003. Another application for reinstatement was filed on December 3, 2003.

33. Veterans for the Homeless failed to file an annual report that was due on October 31, 2004, and was dissolved again effective on that date.

34. Veterans for the Homeless never registered a trade name, although it used the trade name V.H.I. That was a registered trade name of Visions for Hope, as described in paragraphs 49 to 51 below.

35. During the times that it was administratively dissolved, Veterans for the Homeless continued to operate as a Colorado non-profit by purporting to be a charity and continued to solicit donations from donors.

36. Bank records obtained to date indicate that Veterans for the Homeless received at least \$30,000 in contributions in 2003. Therefore, pursuant to Colo. Rev. Stat. § 6-16-104, Veterans for the Homeless was required to register as a charity.

37. On September 23, 2003, the Colorado Secretary of State sent a letter to Veterans for the Homeless advising it to register as a charity pursuant to Colo. Rev. Stat. § 6-16-104. A second letter was sent on January 13, 2004.

38. Veterans for the Homeless never registered as a charity with the Secretary of State as a charity then or at any point in time. It has never filed a financial statement as it was required to do annually by Colo. Rev. Stat. § 6-16-104(5).

39. Veterans for the Homeless also has no solicitation campaigns registered on its behalf. Because Veterans for the Homeless has used paid solicitors (rather than employees or volunteers) to conduct its campaigns, those paid solicitors are required to register as paid solicitors under Colo. Rev. Stat. § 6-16-104.6(1) and to register the specific campaigns under Colo. Rev. Stat. § 6-16-104.6(7). Veterans for the Homeless's paid solicitors have done neither.

40. In addition to failing to comply with the state's registration laws, bank records obtained to date indicate that little if any money was ever spent on any charitable purpose. Written information Veterans for the Homeless provided to donors stated that donations would provide rental, food, clothing, and employment search assistance to families with children, single mothers, and veterans. Instead, Defendants Cline and Wyss and other

individuals pocketed the money they collected from unsuspecting donors. Checks were also written, for example, to the City of Windsor to pay Defendant Cline's utility bills.

41. In fact, Defendant Wyss has admitted that the donations collected were not going to any charitable purpose and that the charity was "shady." Similarly, Defendant Cline admitted that the donations were simply being funneled to himself, Defendant Wyss, and the solicitors.

42. This failure to use the donations in a legitimate manner renders untrue the purposes for which donors were told their funds would be used. It also demonstrates that these donations were obtained under false pretenses and with an intent to defraud the donor.

43. Further, a "Program Guide" that Veterans for the Homeless provided to donors states that it is a Colorado non-profit. That statement is false to the extent that it was made to donors during the following time frames when the non-profit was dissolved: March 1, 1999 through December 14, 2001; November 1, 2003 and December 3, 2003. Veterans for the Homeless provided that "Program Guide" to at least one donor in November 2003. A copy is attached hereto as Exhibit A.

44. That "Program Guide" further states that Veterans for the Homeless has section 501(c)(3) tax-exempt status from the IRS, which if true, may allow donors to deduct their donations on their taxes. However, according to the IRS publication that lists charities that have been granted 26 U.S.C. § 501(c)(3) status, Veterans for the Homeless does not have that status.

45. That "Program Guide" also provides information regarding assistance allegedly provided to the community through the use of donations, such as rental assistance, food assistance, and clothing assistance. Although some documentation has been provided to support these claims of assistance provided to the community, bank records obtained to date do not substantiate any of the money collected from donations being spent for these purposes.

46. Because Veterans for the Homeless used paid solicitors, those solicitors were required to comply with Colo. Rev. Stat. § 6-16-105's requirements regarding written confirmations. At least some of the written confirmations given to donors did not comply with this section because they did not include the charity's registration number, a disclosure that the donations were not tax deductible, the disclosure required by Colo. Rev. Stat. § 6-16-105(1)(c), and the statement required by Colo. Rev. Stat. § 6-16-105(1)(h). Colo. Rev. Stat. § 6-16-105(1)(a), (b), (c), (h).

47. Further, those paid solicitors are required to maintain all of the records required by section 6-16-109, and, upon information and belief, have failed to do so.

48. Veterans for the Homeless collected donations from several hundred individuals throughout Colorado, mainly in the Denver metropolitan area. Many of those solicitations were conducted at a time when Veterans for the Homeless was not registered as a charity as required by Colo. Rev. Stat. § 6-16-104, when Defendants Anderson and Doe were not registered as paid solicitors as required by Colo. Rev. Stat. § 6-16-104.6, and when there were no solicitation campaigns registered on behalf of Veterans for the Homeless as required by Colo. Rev. Stat. § 6-16-104.6.

Visions of Hope, Inc.

49. On February 13, 1998, Defendant Wyss incorporated another non-profit named “Visions of Hope, Inc.” (hereinafter “Visions of Hope”) to serve as a “non profit social service organization.” Jay Wyss was listed as its officer. Visions of Hope registered the trade name of “V.H.I.” on May 5, 1998. As of that time, it had the same physical address as Veterans for the Homeless.

50. Visions of Hope was dissolved on September 1, 2000. It never registered as a charity with the Secretary of State and was never reinstated. Visions of Hope never registered any solicitation campaigns.

51. It is unknown whether or not Visions of Hope made any solicitation calls. If it did, those calls were made in violation of Colo. Rev. Stat. §§ 6-16-104 and 6-16-104.6.

Vacation Hospitality International, Inc.

52. In addition to operating two separate non profits with the acronym of V.H.I., the same individuals incorporated a for profit business, Vacation Hospitality International, Inc., (hereinafter “Vacation Hospitality”) with the same initials. This company was incorporated as a for-profit corporation on April 25, 2002. Defendant Cline signed the document filing the Articles of Incorporation and listed Defendant Wyss as the registered agent.

53. Bank records obtained to date indicate that there was some transfer of money from the non-profit Veterans for the Homeless to the for-profit Vacation Hospitality—i.e., Defendants were transferring money obtained from charitable donations to Veterans for the Homeless to their for-profit company. The purpose of that transfer is unknown.

Defendants’ Solicitations of Eleanor Sprague

54. In the late summer of 2003, a number of local charities, including the non-profit Defendants, began to call and solicit donations from a then 84-year-old Boulder County resident, Eleanor Sprague.

55. The solicitation calls were extremely frequent—sometimes several a day—and demanded large sums of money as donations—sometimes in the thousands of dollars. The callers were very aggressive.

56. Over the course of the following months, Ms. Sprague wrote the following checks to various questionable “charities” that amounted to over \$20,000, including the following checks, for a total of \$3740:

- a. On August 27, 2003, a \$890 check to “VHI,” which was deposited in an account for Veterans for the Homeless;
- b. On September 13, 2003, a \$1200 check to “VHI” which was deposited in an account for Veterans for the Homeless; and
- c. On October 24, 2003, a \$1650 check to Veterans for the Homeless.

57. In late October 2003, Mrs. Sprague’s family members became aware of these large donations and informed police that they believed she was being improperly solicited by fraudulent charities.

58. On November 7, 2003, an individual who identified himself as Lou Anderson and who upon information and belief is in fact Defendant Luis Suarez called Mrs. Sprague’s residence on behalf of Veterans for the Homeless. Mrs. Sprague’s daughter-in-law answered the phone. The caller asked if someone from Veterans for the Homeless could pick up a check. Mrs. Sprague’s daughter-in-law asked how much Mrs. Sprague usually donated and the caller replied between \$1200 and \$1600. Mrs. Sprague’s daughter-in-law stated that Mrs. Sprague would donate \$750 and was told that Mr. Cline would pick up a check.

59. Defendant Wyss (rather than Mr. Cline) arrived at the residence at to pick up the check. Police officers were present at the scene and Wyss was arrested and later charged with Theft Against an At-Risk Person and Conspiracy. Wyss made a confession in which he admitted that the checks to Veterans for the Homeless were not going to any charitable purpose but instead were being deposited into accounts belonging to himself and Defendant Cline.

60. Defendant Cline was also arrested and charged with Theft Against an At-Risk Person and Conspiracy. Cline made a confession in which he stated that Veterans for the Homeless had “pretty much [gone] out of business” in the 1990s but that in mid-2002, he had asked Wyss to open a checking account. He stated that the money collected in donations was not going to any charitable purpose, but was being paid to himself, Wyss, and the telemarketers.

61. After a dismissal without prejudice, Wyss and Cline were re-charged with theft and conspiracy and also with criminal charitable fraud. The criminal theft and

conspiracy charges against Wyss and Cline are pending in this Court, Criminal Case Numbers 06-CR1150 (Cline) and 06-CR1149 (Wyss).

62. The calls on behalf of Veterans for the Homeless were made by Defendants Suarez and Doe. Those checks were picked up by Defendants Wyss, Cline, and the Doe Defendants.

63. The checks that Mrs. Sprague wrote to Veterans for the Homeless or one of its trade names were written at a time when Veterans for the Homeless was not registered as a charity as required by Colo. Rev. Stat. § 6-16-104, when Defendants Suarez and Doe were not registered as paid solicitors as required by Colo. Rev. Stat. § 6-16-104.6(1), and when there were no solicitation campaigns registered on behalf of Veterans for the Homeless as required by Colo. Rev. Stat. § 6-16-104.6(7).

Defendants' Activities in Violation of the CCSA and CCPA

64. During the course of their business, vocation or occupation, Defendants violated section 6-16-111(1)(a), (d), (f), and (g) of the Colorado Charitable Solicitations Act, and thereby committed charitable fraud, by, among other things:

- a. Knowingly soliciting contributions while knowingly violating the provisions of sections 6-16-104 to 6-16-107 and 6-16-110;
- b. With the intent to defraud, knowingly soliciting contributions by assuming a false or fictitious identity;
- c. Knowingly making misrepresentations of material fact in notices, reports, or records required to be filed, maintained, or created by the CCSA;
- d. With intent to defraud, devising a scheme or artifice to defraud by means of a solicitation or obtaining money, property, or services by means of a false or fraudulent pretense, representation (including any manifestation of any assertion by words or conduct, including, but not limited to, a failure to disclose a material fact), or promise in the course of a solicitation; and
- e. Representing or causing another to represent that a contribution to a charitable organization will be used for a purpose other than the purpose for which the charitable organization intends to use the contribution.

65. Defendants Cline, Wyss, and Veterans for the Homeless also violated the CCSA by, among other things:

- a. Failing to register as a charity as required by section 6-16-104;
- b. Failing to file financial reports as required by section 6-16-104, and/or failing to file them in a timely manner;
- c. Using paid solicitors who were not registered as required by section 6-16-104.6(1);
- d. Using paid solicitors without registering a solicitation campaign as required by section 6-16-104.6(7); and
- e. Using paid solicitors without complying with the disclosures in section 6-16-105.

66. The individual Defendants also violated the CCSA by, among other things:

- a. Failing to register as a paid solicitor as required by section 6-16-104.6;
- b. Failing to register a solicitation campaign prior to conducting solicitations as required by section 6-16-104.6;
- c. Knowingly failing to create and maintain all records required by section 6-16-109 to be created and maintained; and
- d. Failing to comply with the disclosures in section 6-16-105.

67. By violating the Colorado Charitable Solicitations Act, Defendants have also violated the CCPA. Colo. Rev. Stat. § 6-16-111(5).

FIRST CLAIM FOR RELIEF

(Failure to Register As A Charity Before Conducting Solicitations)
(Against Defendants Veterans for the Homeless, Cline, and Wyss)

68. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 67 of this Complaint.

69. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104(1), (9), 6-16-111(1)(a) (2005) by Veterans for the Homeless's failure to register as a charity in years 2003, 2004, and 2005, and by conducting solicitations during that time.

70. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

SECOND CLAIM FOR RELIEF
(Using Unregistered Paid Solicitors)
(Against Defendants Veterans for the Homeless, Cline, and Wyss)

71. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 70 of this Complaint.

72. Through the above-described conduct in the course of their business, occupation or vocation, Defendants Veterans for the Homeless, Cline, and Wyss have violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104.6(1), 6-16-111(1)(a) (2005), by using unregistered paid solicitors.

73. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

THIRD CLAIM FOR RELIEF
(Conducting Solicitations Using Paid Solicitors Without Registering a Campaign)
(Against Defendants Veterans for the Homeless, Cline, Wyss, Suarez, and Doe)

74. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 73 of this Complaint.

75. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104.6(7), 6-16-111(1)(a), (f), (g) (2005), by conducting campaigns with paid solicitors without registering a solicitation campaign as required by Colo. Rev. Stat. § 6-16-104.6(7) (2005).

76. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

FOURTH CLAIM FOR RELIEF
(Failure to Register as a Paid Solicitor)
(Against Defendants Cline, Wyss, Suarez, and Doe)

77. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 76 of this Complaint.

78. Through the above-described conduct in the course of their business, occupation or vocation, Defendants Cline, Wyss, Suarez, and Doe have violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104.6(1), 6-16-111(1)(a) (2005), by failing to register as a paid solicitor.

79. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

FIFTH CLAIM FOR RELIEF

(Failure to Maintain Required Documents)

(Against Defendants Cline, Wyss, Suarez, and Doe)

80. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 79 of this Complaint.

81. Through the above-described conduct in the course of their business, occupation or vocation, Defendants Cline, Wyss, Suarez and Doe have violated the Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-109, 6-16-111(1)(e) (2005), by failing to maintain the records required by Colo. Rev. Stat. § 6-16-109 (2005).

82. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

SIXTH CLAIM FOR RELIEF

(Soliciting Under a False or Fictitious Identity)

(Against Defendants Veterans for the Homeless, Visions of Hope,
Cline, Wyss, Suarez, and Doe)

83. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 82 of this Complaint.

84. Through the above-described conduct in the course of its business, occupation or vocation, Defendant Veterans for the Homeless has violated Colo. Rev. Stat. § 6-16-111(1)(d) by, with the intent to defraud, knowingly soliciting contributions and using the name “V.H.I.” in the aid of solicitations, which was not a registered trade name of Veterans for the Homeless, and was a registered trade name for Visions of Hope, and Luis Suarez has violated Colo. Rev. Stat. § 6-16-111(1)(d) by, with the intent to defraud, knowingly soliciting contributions and using the names Lou Anderson and Luis Anderson in the aid of solicitations.

85. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

SEVENTH CLAIM FOR RELIEF

(False Pretenses)

(Against Defendants Veterans for the Homeless, Cline, Wyss, Suarez, and Doe)

86. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 85 of this Complaint.

87. Through the above-described conduct in the course of its business, occupation or vocation, Defendants have violated Colo. Rev. Stat. § 6-16-111(1)(g) (2005) by, with the intent to defraud, obtaining money by means of a false or fraudulent pretense, representation or promise.

88. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

EIGHTH CLAIM FOR RELIEF

(False Statements Regarding Purpose of Contributions)

(Against Defendants Veterans for the Homeless, Cline, Wyss, and Doe)

89. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 88 of this Complaint.

90. Through the above-described conduct in the course of its business, occupation or vocation, Defendants have violated Colo. Rev. Stat. § 6-16-111(1)(i) (2005) by representing that contributions would be used for purposes other than those for which they were actually used.

91. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

NINTH CLAIM FOR RELIEF

(Falsely Claiming that Donations are Tax Deductible)
(Against Defendants Veterans for the Homeless, Cline, Wyss, and Doe)

92. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 91 of this Complaint.

93. Through the above-described conduct in the course of its business, occupation or vocation, Defendants have violated Colo. Rev. Stat. § 6-16-111(1)(h) (2005) by claiming to have section 501(c)(3) status, which if true, would mean that the donations were tax deductible when Veterans for the Homeless did not in fact have such status with the IRS.

94. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

TENTH CLAIM FOR RELIEF

(Failure to Provide Required Disclosures in Written Confirmations)
(Against Defendants Veterans for the Homeless, Cline, Wyss, Suarez, and Doe)

95. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 94 of this Complaint.

96. Through the above-described conduct in the course of its business, occupation or vocation, Defendants violated Colo. Rev. Stat. § 6-16-105(1)(a), (b), (c), (h) (2005) by providing written confirmations that did not include the charity's registration number, a disclosure that the donations were not tax deductible, the disclosure required by Colo. Rev. Stat. § 6-16-105(1)(c), and the statement required by Colo. Rev. Stat. § 6-16-105(1)(h).

97. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

ELEVENTH CLAIM FOR RELIEF

(Failure to File Financial Reports)
(Against Defendants Veterans for the Homeless, Cline, and Wyss)

98. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 97 of this Complaint.

99. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have violated the Charitable Solicitations Act, Colo.

Rev. Stat. §§ 6-16-104(5), 6-16-111(1)(a), (e) (2005), by failing to file financial reports for 2003, 2004, and 2005.

100. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from numerous Colorado consumers.

TWELFTH CLAIM OF RELIEF
(Violations of CCPA)
(Against All Defendants)

101. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 100 of this Complaint.

102. The conduct described in counts one through eleven above constitute deceptive trade practices pursuant to Colo. Rev. Stat. §§ 6-16-111(5) and 6-1-105(1)(hh) (2005).

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for judgment against the Defendants and the following relief:

A. An order declaring Defendants' above-described conduct to be in violation of the Colorado Charitable Solicitations Act, Colo. Rev. Stat. §§ 6-16-104, 6-16-104.6, 6-16-105, 6-16-111 (2005), and the Colorado Consumer Protection Act, Colo. Rev. Stat. § 6-1-105(1)(hh) (2005).

B. An order permanently enjoining Defendants, their officers, directors, successors, assigns, agents, employees, and anyone in active concert or participation with any Defendant with notice of such injunctive orders, from engaging in any deceptive trade practices as defined in and proscribed by the CCSA or the CCPA and as set forth in this Complaint.

C. Appropriate orders necessary to prevent Defendants' continued or future deceptive trade practices.

D. For a judgment in an amount to be determined at trial for restitution, disgorgement, or other equitable relief pursuant to Colo. Rev. Stat. § 6-1-110(1) (2005).

E. An order requiring Defendants to forfeit and pay to the General Fund of the State of Colorado, civil penalties in an amount not to exceed \$2,000 per violation pursuant to

Colo. Rev. Stat. § 6-1-112(1) (2005), or \$10,000 per violation pursuant to Colo. Rev. Stat. § 6-1-112(3) (2005).

F. An order requiring Defendants to pay the costs and expenses of this action incurred by the Attorney General, including, but not limited to, Plaintiff's attorney fees, pursuant to Colo. Rev. Stat. § 6-1-113(4) (2005).

G. Any such further orders as the Court may deem just and proper to effectuate the purposes of the CCPA and the CCSA.

Dated this 28th day of August, 2006.

JOHN W. SUTHERS

Attorney General

/s

AMY L. PADDEN, 28372*
Assistant Attorney General

Consumer Protection Section
Attorneys for Plaintiff
*Counsel of Record

Pursuant to C.R.C.P. 121, § 1-26(9), the original of this document with original signatures is maintained in the offices of the Colorado Attorney General, 1525 Sherman Street, Denver, CO 80203, and will be made available for inspection by other parties or the Court upon request.